



**COUNCIL for
CITIZENS
AGAINST
GOVERNMENT
WASTE**

Thomas A. Schatz, *President*

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July 18, 2023

Senate Committee on Health, Education, Labor, and Pensions
428 Senate Dirksen Office Building
Washington, D.C. 20510

Dear Senator,

The Senate Health, Education, Labor, and Pensions (HELP) Committee is scheduled to hold a markup hearing on July 20, 2023, on the reauthorization of the Pandemic and All-Hazards Preparedness Act (PAHPA). On behalf of the more than one million members and supporters of the Council for Citizens Against Government Waste (CCAGW), I urge you to oppose Committee Chairman Bernie Sanders' (I-Vt.) "reasonable pricing" and most favored nation (MFN) proposals as an amendment and any other price control provisions that may be considered by the committee.

On July 7, 2023, CCAGW submitted [comments](#) as requested by Chairman Sanders regarding an outside of the staff-level agreement policy to require that all Biomedical Advanced Research and Development Authority and Centers for Disease Control-supported products "be sold to the Federal Government or in the U.S. commercial market at the lowest price among G7 countries (Canada, France, Germany, Italy, Japan, and the United Kingdom) and at a reasonable price." According to the press release, "this policy has not been agreed to." CCAGW urged you to agree to keep this policy out of the PAHPA reauthorization.

The letter also expressed our concerns about [price controls](#) on biopharmaceuticals, which [lead](#) to fewer treatments and cures and undermine intellectual property rights. The MFN provisions included in Sen. Sanders' proposal are both seriously [flawed](#) and would be [ineffective](#). The lack of price controls that stifle innovation in other countries is one of many reasons that the U.S. is the global leader in biopharmaceutical research and development. The proposal also includes provisions that would undermine the Bayh-Dole Act and set price controls on pharmaceuticals developed from the transfer of technology, which for the past 40 years has resulted in documented and significant progress in commercializing federally funded university research.

Price controls, most favored nation, and undermining technology transfers under Bayh-Dole are a devastating combination for future treatments and cures that will be needed in the next pandemic, or for any other reason. These provisions should remain where they are now, outside of the PAHPA staff-level agreement, and should not be included in any healthcare legislation considered by Congress. Instead, Congress should focus on deregulatory measures that will lower drug prices and ignite the competition that has bred and will continue to provide innovation in the medical marketplace. CCAGW appreciates your consideration of our concerns and urges you to reject Chairman Sanders' proposals during the markup on Thursday, July 20, 2023, and at any future time.

Sincerely,

Tom Schatz
President, CCAGW